PyroGenesis Receives $667K Non-Refundable Down Payment under a Master Agreement for Multi-Year Multi-Plasma Torch Purchases

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MONTREAL, Jan. 16, 2024 (GLOBE NEWSWIRE) -- PyroGenesis Canada Inc. (http://pyrogenesis.com) (TSX: PYR) (OTCQX: PYRGF) (FRA: 8PY), a high-tech company (the "Company" or "PyroGenesis") that designs, develops, manufactures and commercializes advanced plasma processes and sustainable solutions which are geared to reduce greenhouse gases (GHG) and address environmental pollutants, is pleased to announce that, further to the Company's previous disclosure in the Q3 2023 financial outlook dated November 9, 2023 regarding ongoing negotiations for a contract valued at over $10 million, PyroGenesis has now received a non-refundable down payment totaling $667,252 (US$500,000) from a US-based technology company (the "Client"). The Client's name shall remain anonymous for competitive and confidential reasons.

This non-refundable down payment is made pursuant to a recently signed Master Agreement between PyroGenesis and the Client and provides for a period of exclusivity until February 15, 2024, during which the Client expects to secure financing and complete a first statement of work ("SOW") with PyroGenesis. The Master Agreement provides that, during this exclusivity period, PyroGenesis and the Client will work collaboratively with the goal of finalizing and executing this initial SOW, which would outline the terms that PyroGenesis would design, build, and deliver five (5) high power 2MW air plasma torch systems for an aggregate price of approximately US$13 million. The Master Agreement contemplates additional SOWs being entered into for the purchase of torches, related equipment, and services.

"This nonrefundable down payment is a significant step towards concluding the first SOW under the Master Agreement, a contract which anticipates many more SOWs to come," said Mr. P. Peter Pascali, President and CEO of PyroGenesis. "Provided the Client receives adequate financing, this contract has the potential to be a springboard from which PyroGenesis introduces a significant number of plasma torches into the marketplace. These direct sales would have an obvious impact on revenues and profitability, but they would also speak to our strategy to develop ongoing revenue streams from activities such as maintenance and spare parts sales. As industries increasingly seek efficient alternatives to fossil fuel-based systems, PyroGenesis' electric and carbon-free plasma torches continue to be proven as not just a highly suitable alternative, but also a potentially faster and more cost-effective solution."

The Company's development of plasma torches is part of the Company's three-tiered solution ecosystem that aligns with economic drivers that are key to global heavy industry. The use of plasma torches is part of the Energy Transition & Emission Reduction tier, where fuel switching to the Company's electric-powered plasma torches helps heavy industry reduce fossil fuel use and greenhouse gas emissions.

About PyroGenesis Canada Inc.

PyroGenesis Canada Inc., a high-tech company, is a proud leader in the design, development, manufacture and commercialization of advanced plasma processes and sustainable solutions which reduce GHG and are economically attractive alternatives to conventional "dirty" processes. PyroGenesis has created proprietary, patented and advanced plasma technologies that are being vetted and adopted by multiple multibillion dollar industry leaders in four massive markets: iron ore pelletization, aluminum, waste management, and additive manufacturing. With a team of experienced engineers, scientists and technicians working out of its Montreal office, and its 3,800 m^2 and 2,940 m^2 manufacturing facilities, PyroGenesis maintains its competitive advantage by remaining at the forefront of technology development and commercialization. The operations are ISO 9001:2015 and AS9100D certified, having been ISO certified since 1997. For more information, please visit: www.pyrogenesis.com.

Cautionary and Forward-Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management's current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking statements are necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date of this release, are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, the risk factors identified under "Risk Factors" in the Company's latest annual information form, and in other periodic filings that the Company has made and may make in the future with the securities commissions or similar regulatory authorities, all of which are available under the Company's profile on SEDAR+ at www.sedarplus.ca, or at www.otcmarkets.com. These factors are not intended to represent a complete list of the factors that could affect the Company. However, such risk factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. The Company undertakes no obligation to publicly update or revise any forward-looking statement, except as required by applicable securities laws.

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